

ASSEMBLY BILL

No. 1575

Introduced by Assembly Member Pan

January 30, 2014

An act to add Section 10377 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 1575, as introduced, Pan. Public contracts for services: reports: termination of service contracts.

Existing law sets forth requirements for the acquisition of goods and services by state agencies and sets forth the various responsibilities of the Department of General Services and other state agencies in overseeing and implementing state contracting procedures and policies.

This bill would require contracts for personal services to include specific performance criteria and cost parameters, require reports by the contractor, and provide for cancellation by the contracting agency if the contractor fails to comply with contract requirements or the law.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10377 is added to the Public Contract
- 2 Code, to read:
- 3 10377. Any service contract shall incorporate specific
- 4 performance criteria and cost parameters, and the contractor shall
- 5 submit quarterly reports to the state agency's contracting official
- 6 on the contractor's compliance with the performance criteria and

1 actual costs incurred. The service contract may be cancelled if the
2 contractor fails to comply with the performance criteria and other
3 requirements set out in the contract and if annual costs exceed
4 those established by the contract. The contract may be cancelled
5 at any time if the contractor fails to comply with all applicable
6 local, state, and federal laws, regulations, and statutes.

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